

OCA/LEG/Subject File: '83 Intel. Auth



CENTRAL INTELLIGENCE AGENCY

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Russ:

Per our conversation, at DIA's request please substitute the attached Section 803 for Section 802 which was forwarded under [redacted] note.



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FORM 2-86 **1533** OBSOLETE PREVIOUS EDITIONS.

(40)

bcc: [redacted] DIA
Comptroller, CIA

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Personal Services Contracting Authority

SEC. 803. Notwithstanding any other provision of law, the Secretary of Defense may authorize heads of intelligence components and activities of the Department of Defense to contract for personal services under such conditions and procedures as the Secretary may determine to be necessary or appropriate for the collection and production of foreign intelligence or counterintelligence.

TITLE VIII - SPECIAL DOD INTELLIGENCE BUDGETARY
AND PERSONNEL PROVISIONS

Section 801: No substantive change.

Section 802: No substantive change.

Section 803: No substantive change.

TITLE VIII - SPECIAL DOD INTELLIGENCE BUDGETARY
AND PERSONNEL PROVISIONS

SEC. 801. Cost analysis not applicable.

SEC. 802. Cost analysis not applicable.

SEC. 803. Cost analysis not applicable.

Section 803. Personal services contracting in the Department of Defense is now used principally for consultants. There are significant restrictions on the number of days that can be worked and year-to-year continuity. Cumbersome and time-consuming OSD procedures must be used rather than regular contracting channels. The intelligence activities of the Department of Defense should have available the same flexibility in personal services contracting which is currently available to the Central Intelligence Agency by virtue of Section 8 of the Central Intelligence Agency Act of 1949.

Such personal services contracting authority is needed to take advantage of individual intelligence skills and expertise in a variety of situations. Such authority could make needed individual skills and expertise available at a cost less than through other contractual relationships, such as an individual expert to accomplish tasks on a salary-equivalent basis without overhead or project management charges. It could allow for the completion of tasks which could not be accomplished under other contracts without extensive training or familiarization of contractor personnel at government expense. An example of this could be the modification of unique software for specialized intelligence applications that have no direct commercial parallel. There may also be occasions when the government does not want to hire a full-time employee for a sensitive intelligence job that would last for less than three years, such as an electrophoto scientist for eighteen months to determine special reproduction requirements for new imagery materials. Use of a personal services contract could also be more efficient than other contracts by providing for the accomplishment of tasks by a single expert in less time and at less cost than under other contracts. An example of this could be a productivity statistics expert hired for three months to measure the effects of alternative automation architectures on workload.

The proposed provision would authorize the Secretary to designate heads of DoD intelligence components, to include the Director of the Defense Intelligence Agency, to exercise such personal services contract authority.